

## **AGREEMENT FOR EMPLOYMENT OF COUNTY ADMINISTRATOR FOR COCHISE COUNTY, ARIZONA**

This Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_, 2015, between COCHISE COUNTY, an Arizona Political Subdivision, acting by and through its duly authorized officers, hereinafter referred to as the "County", and JAMES E. VLAHOVICH, hereinafter referred to as the "Administrator."

### **SECTION 1. NATURE OF EMPLOYMENT**

The County hereby retains and employs the Administrator to serve as County Administrator in accordance with the provisions set forth in Cochise County Resolution No. 03-15 as adopted or as it may hereafter be amended.

### **SECTION 2. ACCEPTANCE OF EMPLOYMENT**

The Administrator hereby accepts the employment as County Administrator, effective May 1, 2015, or such other date or arrangement as may be agreed upon by the parties, and will, to the best of his ability, perform the services and duties of a County Administrator.

### **SECTION 3. COMPENSATION**

In consideration of the services rendered as County Administrator, Administrator shall receive the following compensation and other consideration:

The Administrator shall be paid a gross annual salary of \$160,000 per year. Upon very successful annual evaluations, in addition to the Administrator's gross annual salary, the Administrator shall receive a \$10,000 increase in base salary on July 1, 2016 and July 1, 2017. The Board of Supervisors may determine that a higher amount is appropriate based on the Administrator's annual evaluation and performance. In addition to any such annual adjustment, the Administrator shall receive the same percentage pay adjustments that may be provided to all other County employees implemented after May 1, 2015. In no event shall the Administrator's gross salary be reduced during the term of an existing contract.

### **SECTION 4. OTHER BENEFITS**

In addition to the compensation set out in the prior Section, the Administrator shall receive the following additional benefits as consideration for the services performed as County Administrator:

a. The Administrator shall accrue vacation leave at the same rate as Department Directors each year as defined by County policy and practice. Administrator shall not carry forward more than sixty (60) days of vacation leave from one calendar year to the next unless arrangements are made between the Board and the Administrator for certain vacation days to be carried over and used during the first quarter of the following year. Upon separating from County service, the Administrator will be paid 100 percent of accrued vacation leave on an hour per hour basis.

b. The Administrator shall be granted a minimum of twelve (12) days of sick leave each year as defined by County policy and practice. Sick leave will continue to accrue to the Administrator in the manner provided for all other County employees, except that there will be no limit in the amount of sick leave accumulated by the Administrator during his tenure as Administrator. Upon separating from County service, the Administrator will be paid 100 percent of accrued sick leave on an hour per hour basis.

c. County shall provide at County's cost, Administrator and his dependents with health benefits, including medical, dental, and vision insurance, and such other benefits, as are provided to other employees of the County.

d. The Administrator will be allocated a car allowance of \$800 per month.

e. The Administrator will be provided a laptop computer, printer, modem, and internet access for use at home for County business. In addition, the Administrator will be given a smart phone or equivalent device supported by the County Information Technology Department.

f. County shall reimburse Administrator for all reasonable expenses and expenditures made or incurred by him directly in connection with his employment, provided that such expenses and reimbursements shall at all times be subject to Arizona law and the rules and regulations established by the County.

g. In addition to the benefits set out in this Section, the Board of Supervisors may provide additional benefits to the Administrator if such benefits are deemed appropriate as a result of its annual evaluation and review of the Administrator's performance.

## **SECTION 5. TERM OF AGREEMENT**

This Agreement shall begin on May 1, 2015, and continue for a period of two years and two months, terminating on June 30, 2017. This Agreement shall be automatically renewed for an additional one year term on July 1 of each year beginning July 1, 2017 unless the Board of Supervisors gives Administrator written notice of non-renewal on or before June 1, 2017. If a Notice of Non-renewal is given to the

Administrator, the Administrator will be allowed to complete the remainder of the term remaining under the Agreement then in existence, but the Agreement will not be renewed for an additional one year term.

## **SECTION 6. Termination of Services**

The Administrator shall be an "at-will" employee of Cochise County in its unclassified service and shall serve at the pleasure of the Board of Supervisors. No other provision in this contract either expressed or implied shall be construed in opposition to this at-will status. Administrator shall be exempt from the Cochise County Merit System. The appointment, removal, suspension or request for resignation, or modification of this Agreement, shall require the affirmative vote of a majority of all members of the Board of Supervisors.

Nothing herein shall prevent, limit or otherwise interfere with the right of the County to terminate the services of the County Administrator at any time, or legally bind a new Board of Supervisors, to retain the services of the Administrator. Administrator expressly acknowledges that he may be removed with or without cause.

Should the Administrator be terminated without cause at any time during the Agreement by either the existing Board or a future Board, the Administrator shall be compensated one year at the base salary at the time of termination. For purposes of this Agreement, the term "cause" shall mean any one of the following:

- a. Material neglect by Administrator of his duties such as abandonment of his duties and/or his responsibilities as Administrator;
- b. Conviction of any felony, or acknowledgment of guilt of a felony;
- c. A determination by a majority of the Board of Supervisors that Administrator has committed acts which would constitute a crime which may materially affect the suitability for continued employment as Administrator, provided, however, that if subsequent criminal or civil proceedings fail to establish that Administrator committed such acts, or that such acts constituted a crime that materially affect Administrator's suitability for continued employment as County Administrator, then removal shall be deemed to be without cause.
- d. Due to physical or mental health, the Administrator becomes unable to discharge his duties for a substantial portion of the period then remaining under this Agreement.
- e. Acts of moral turpitude or other conduct which impugns, discredits or adversely affects the County and/or the Administrator's ability to provide effective leadership within the organization.
- f. Misdemeanor conviction involving veracity or lack thereof.

Should the Administrator be terminated for cause, he shall not receive further

compensation after the effective date of termination with the exception of the vacation and sick leave payout previously noted.

Notwithstanding any other provisions herein, the Board of Supervisors upon a majority vote may, at any time, reassign the Administrator to alternative duties or place the Administrator on administrative leave with pay for up to the remainder of the contract term, if the Board of Supervisors deems such action to be in the best interest of the County.

## **SECTION 7. SURETY BOND**

The Administrator warrants that, to the best of his knowledge, he is eligible for corporate surety bonding as may be required by County Resolution 03-15 and he affirmatively agrees to remain eligible for bonding in a reasonable sum, as required by the Resolution, during the tenure of his appointment as County Administrator.

## **SECTION 8. INDEMNIFICATION**

County shall defend, save harmless, and indemnify Administrator against any tort, professional liability claim or demand, or other legal action, groundless or otherwise, arising out of an alleged act or omission occurring during the performance of his duties, and will pay the amount of any settlement or judgment arising therefrom; provided, however, that this indemnification clause shall not apply to any tort, liability, claim, demand or legal action brought on behalf of the County against the Administrator. Acts of criminal conduct made intentionally, negligently, or recklessly will be considered to fall outside the "performance of duties" of the Administrator.

## **SECTION 9. POLITICAL SUBDIVISIONS AND STATE CONTRACTS**

This Agreement is subject to the provisions of ARS § 38-511.

## **SECTION 10. ARIZONA LAW; SEVERABILITY**

This Agreement shall be construed and enforced in accordance with the laws of the State of Arizona. If a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement and all other provisions shall remain in full force and effect.

## **SECTION 11. EVALUATION**

The Board shall review and evaluate the performance of the County Administrator at least once annually. Said review and evaluation shall be in accordance with specific criteria developed jointly by the Board and the County Administrator. Said criteria may be added to or deleted from as the Board may from time to time determine in consultation with the County Administrator.

Annually, or at any other time the Board deems necessary, the Board and the County Administrator shall review and define such goals and objectives as they determine necessary for the proper operation of the County, which achieve the Board's policy objectives and further establish a relative priority among those various goals and objectives. Said goals and objectives shall be reduced to writing and shall be reasonably attainable within the time limits as specified and the annual operating and capital budgets and appropriations provided.

## **SECTION 12. CONFLICT OF INTEREST**

This agreement is made subject to the provisions of A.R.S. 13-501 et. seq...

## **SECTION 13. OUTSIDE ACTIVITIES**

The employment provided for by this Agreement shall be the Administrator's sole employment. Recognizing that certain outside teaching or consulting opportunities may provide indirect benefits to the Employer and the community, the Administrator may accept such opportunities upon approval by the Board of Supervisors, provided that such arrangements shall not constitute interference with nor a conflict of interest with his responsibilities under this agreement.

## **SECTION 14. DEFAULT/ARBITRATION**

In the event of any default or other non-performance of any term or provision of this Agreement or in the event of any claim arising hereunder, including any dispute as to whether termination for just cause exists, the parties hereto shall resolve any such claim through binding arbitration. Requests for arbitration shall be handled in accordance with the Employment Arbitration Rules of the American Arbitration Association (AAA). The County and the Administrator shall request a list of five

possible AAA members and within five working days of their receipt of such list select an arbitrator. The County and the Administrator will each strike one arbitrator's name from the list of five and both parties will then repeat the procedure. A coin toss shall determine which party strikes the first name. Each party shall bear the expenses of witnesses, attorneys and other costs of preparing and presenting its own case as well as the incidental expenses incurred as a result of the hearing and all fees and expenses of the arbitrator shall be divided equally between the parties provided however that the prevailing party may be reimbursed all such costs and fees in the sole judgment of the arbitrator.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the day and year first written above.

**COCHISE COUNTY:**

By: \_\_\_\_\_  
Pat Call, Chairman  
Cochise County Board of Supervisors

\_\_\_\_\_ Date

Attest:

\_\_\_\_\_  
Arlenthe Rios, Clerk of the Board

Approved as to form:

\_\_\_\_\_  
Britt Hanson  
Chief Civil Deputy County Attorney

\_\_\_\_\_ Date

**COUNTY ADMINISTRATOR**

By: \_\_\_\_\_  
James E. Vlahovich

\_\_\_\_\_ Date

